

India's Developing Relationship with South Korea

A Useful Friend in East Asia

ABSTRACT

The long-standing strategic disconnect between South Asia and the Korean Peninsula is breaking down. Driven by the changing balance of power in Asia, India and South Korea have developed a strong economic partnership, and taken small but significant steps toward a political and security relationship that reflects their numerous shared strategic interests. This article explores the contours of this evolving relationship.

KEYWORDS: Asia, India, South Korea, regional security, strategic partnerships

FOR MORE THAN A DECADE, India has made concerted efforts to engage with its East Asian neighbors with varying degrees of success. After discarding its Cold War policies of non-alignment and economic autarchy in the early 1990s, India adopted its "Look East" policy and moved to engage with the rest of Asia, initially with Southeast Asia and more recently also with Northeast Asia. Although there has been much attention paid to India's developing relationship with Japan, perhaps less well known have been developments in India's evolving economic, political, and security relations with South Korea. These led the two countries in January 2010 to declare a "strategic partnership." This article will explore the contours of this evolving relationship.

Until recent years, there was a virtually complete strategic disconnect between South Asia and Northeast Asia. There could be few better examples of this than India and South Korea, which managed to virtually ignore each other for almost half a century following their independence in the late 1940s. The disconnection of these regions, however, is breaking down. China has sponsored the development of strategic links between Pakistan and North Korea (officially known as the Democratic People's Republic of Korea,

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DPRK), whereas India has been developing partnerships with Japan and its smaller neighbor, South Korea (officially known as the Republic of Korea, ROK). The South Koreans were particularly quick to seize on the opportunities presented by the liberalization of the Indian economy in the 1990s; the Indians, for their part, have come to see South Korea as a potentially important economic partner in their drive to integrate with the rest of Asia.

In recent years, both India and South Korea have taken small but significant steps beyond the economic sphere, moving toward a political and security relationship that better reflects their shared interests and similarities in strategic circumstances. The two states not only share a history of national partition and confrontation with their dysfunctional counterparts (Pakistan and North Korea, respectively) but also uneasy relationships with their powerful neighbor, China. India and South Korea, like others in the broader region, are still grappling with how to simultaneously accommodate and balance China's rising power. Since the end of the Cold War, India has been developing closer relationships with key partners in Southeast Asia and Northeast Asia that, while not directly confronting China, may serve to hedge against it in years to come. South Korea, which is relatively small in size and sandwiched between the larger and more powerful China and Japan, will need to work hard to keep its strategic options open, and India may potentially be part of this equation. For both India and South Korea, their shared strategic circumstances and economic complementarities provide considerable incentives for further political and security cooperation.

THE STRATEGIC ESTRANGEMENT OF SOUTH ASIA AND NORTHEAST ASIA

The strategic history of Asia has been one more of disjunction rather than interaction between different parts of the continent, particularly between South Asia and Northeast Asia. China's size and power have served to strategically divide the region rather than unite it. The Cold War, with its widespread and shared fears of Chinese communist subversion and military belligerence, reinforced this strategic estrangement. There are few better examples of this political, economic, and strategic disconnection than the relationship between India and South Korea. In the four decades or so following the end of the Korean War in 1953, India and South Korea had virtually no political and little economic interaction. Both remained

largely preoccupied with their own sub-regional problems and ultimately relied on different strategic guarantors from outside the region against the perceived Chinese threat (the United States for South Korea and the Soviet Union for India). As this article discusses, only well after the end of the Cold War did India and South Korea find good reason to develop any strategic relationship.

India and South Korea were estranged during most of the Cold War period. Despite having no particular bilateral disputes, each held deep ideological suspicions of the other. South Korea was highly suspicious of India's socialist leanings and resented the role it had played during the Korean War. In the early 1950s, India had chaired the Neutral Nations Repatriation Commission, whose task was to organize the repatriation of prisoners of war from both sides of the Korean conflict—a major obstacle to an armistice. Indian representatives ultimately played an important role in persuading China and North Korea to drop their demands for the forcible repatriation of their nationals, allowing the armistice to be reached. Rather than reflecting any strategic interest in the Korean Peninsula, India's involvement was essentially an opportunity for it to assert a high-minded role as a major independent and nonaligned Asian state standing between the two superpowers—the U.S. and the Soviet Union. Nevertheless, India's attempts to achieve a negotiated resolution to the conflict were strongly opposed by the South Korean government, which saw its interests in a continuation of the war and the ultimate defeat of the communist forces.¹ The South Koreans took the view that India was merely acting as a communist fellow-traveler—a perception that was later reinforced by India's Friendship Treaty (and quasi-alliance) with the Soviet Union in 1971.²

For its part, India saw both South Korea and North Korea as mere client states of the superpowers—products of an undesirable intrusion of external Cold War rivalries into Asia. India harshly criticized South Korea's contribution of troops to the Vietnam War in support of the U.S. in the 1960s, and was equally unimpressed by North Korea's attempts to bring its revolutionary

1. Bong Lee, *The Unfinished War* (New York: Algora, 2003), p. 215.

2. India's role in brokering a compromise between the U.S. and China over the prisoner of war issue reportedly led to South Korean President Rhee Syngman "nurturing a vendetta" against Indian Prime Minister Jawaharlal Nehru throughout the 1950s. Barry K. Gills, *Korea Versus Korea: A Case of Contested Legitimacy* (New York: Routledge, 1996), p. 88. For some, this might remain a reminder of the potential consequences of dabbling in other regions where India has no direct interest.

fervor to India.³ As a result, India adopted a policy of maintaining an equidistant non-interest from both South Korea and North Korea, to the extent of not having any diplomatic relations with either. South Korea's application of the so-called Hallstein Doctrine effectively precluded any state from concurrently having diplomatic relations with both it and North Korea, and India apparently had no interest in choosing between the two.⁴

India and South Korea's strategic estrangement throughout this period might be considered odd in some ways. Certainly there were, and continue to be, interesting parallels between the strategic circumstances of India and South Korea, which could have served to engender a degree of strategic cooperation. For example, both India and South Korea were the successors of colonized national entities that had gained independence soon after World War Two and immediately been partitioned as a result of ideological or religious conflict. For each, partition occupied a central place in its respective political culture and discourse: each identified its "breakaway" neighbor as its primary and most immediate enemy. Both shared as an immediate neighbor a resurgent and belligerent communist China, which came to be seen as an existential threat to each. Both countries fought wars against China in the early part of the Cold War, resulting in a continuing military standoff and border tensions.

However, mutual fears of China and recalcitrant neighbors, even when perceived as immediate and existential threats (as during the 1960s), were not sufficient to overcome the strategic disconnect between South Asia and Northeast Asia. South Korea, in its first real attempt at independent international diplomacy, sought to organize the Asia and Pacific Council in 1966 as a regional political grouping of non-communist states with the aim of containing China. But Seoul gave no thought to including India in its membership, despite keenly courting other so-called neutralist Asian countries such as Indonesia.⁵ One might have thought that India, a huge nation perceiving itself to be under immediate Chinese threat, would have been an important, if not essential, part of any regional strategy to contain China. However, the South Koreans were disinclined to consider any security structure that might

3. In May 1971, the Indian government threatened to expel North Korean consular officials in New Delhi if they continued to engage in "undesirable activities," including openly providing classes in guerrilla warfare to interested Indians. *The Times* (London), May 7, 1971.

4. The Hallstein Doctrine was a policy adopted by West Germany in the 1950s, that it would not establish or maintain diplomatic relations with any state that recognized East Germany.

5. Lee Tong Won and Hyun-key Kim Hogarth, *Tasks and Times: Memoirs of Lee Tong Won, Foreign Minister Who Finalized the ROK-Japan Normalization Treaty* (Seoul: Jimoondang, 2004).

extend to South Asia, and the Indians were, for several reasons including their commitment to non-alignment, not interested in participating in any East Asian security structure whose purpose was to contain China.

The major strategic realignments that occurred in Asia in the early 1970s—the U.S.-China rapprochement, the Japan-China rapprochement, and the economic and security relationship between India and the Soviet Union—merely served to reinforce the strategic estrangement of South Asia and Northeast Asia. India found its strategic guarantee against China through its quasi-alliance with the Soviet Union, while Japan sought a new economic relationship with China. South Korea, left somewhat isolated by the new alignments at the time, sought to expand its diplomatic contacts with the Soviet Union and India in 1973. However, the relationship with India failed to develop further. The Indians, while agreeing to give “balanced” diplomatic recognition to both South Korea and North Korea, remained largely uninterested in giving substance to the relationship.⁶ Thus, India and South Korea continued to find no real reason to engage with each other, and India remained wary of North Korea.⁷ Trade between India and South Korea was relatively low and bilateral investment negligible. Both countries would, in fact, remain strategically estranged until well after the end of the Cold War.

EROSION OF THE STRATEGIC SEPARATION BETWEEN SOUTH ASIA AND NORTHEAST ASIA, AND THE CENTRALITY OF CHINA

The Pakistan-North Korea Relationship and Its Implications for India and South Korea

Changes in the international system since the end of the Cold War, especially China’s enhanced role within Asia, have led to the gradual breakdown of the strategic separation between South Asia and Northeast Asia. One of

6. In an interesting Cold War twist, India had been pressed by the Soviet Union to improve its relationship with South Korea. The Soviets were apparently prompted by indications of South Korean support for a Soviet-sponsored regional collective security arrangement primarily aimed at containing China. For details, see Lee Man-woo, “The Prospects for Normalization of Relations between Moscow and Seoul,” *Korea & World Affairs* 4:1 (Spring 1980), p. 129. The Soviets hoped that their security proposal might be anchored by Japan and South Korea in the northeast and by India in the southwest. India, however, was never more than politely lukewarm about this proposal, and it never actually proceeded.

7. North Korea was admitted as a member of the Non-Aligned Movement (NAM) in 1975 against the wishes of India, and it became an active participant of the organization. As India had feared, North Korea sought to use the organization as a vehicle to gather international support against South Korea and its alliance with the U.S.

the starkest reminders of the potential for increased interaction between the regions, and of China's central role in it, was provided by the deepening relationship between Pakistan and North Korea during the 1990s. This involved trade in missiles and nuclear weapons technology, apparently with tacit Chinese support. It had a major strategic impact on both the Indian Subcontinent and the Korean Peninsula.⁸

The relationship between Islamabad and Pyongyang was established in 1971 when Pakistan, preparing for conflict with India, purchased artillery ammunition and spare parts from North Korea. Pakistani and North Korean experts also worked together on the Iranian missile program during the 1980s, but it was only with the end of the Cold War that this relationship evolved into cooperation in weapons development, initially in missiles and then in nuclear technology. In December 1993, Pakistan Prime Minister Benazir Bhutto visited North Korea to seek assistance in the development of ballistic missiles. Pakistan, North Korea, and China subsequently signed a formal technical assistance agreement in January 1994 that officially dealt with cooperation in missile and guidance systems.⁹ In addition to the major missile components supplied by North Korea to the Pakistani missile program, China provided significant complementary assistance, including technology, engineering, and components in areas in which North Korean experts were still struggling, such as guidance systems.¹⁰ As a result, Pakistan, with the assistance of North Korean missile crews, was able to test a modified version of a Nodong missile in April 1998.

According to a 2002 U.S. Central Intelligence Agency report, Pakistan began sharing nuclear weapons technology with North Korea in 1997 after the Pakistani government reportedly realized that it had no more money to purchase North Korean missiles.¹¹ Pakistan provided North Korea with

8. For detailed discussions of this relationship, see Adrian Levy and Catherine Scott-Clark, *Deception: Pakistan, the United States, and the Global Nuclear Weapons Conspiracy* (London: Atlantic Books, 2007); and International Institute of Strategic Studies, *Nuclear Black Markets: Pakistan, A. Q. Khan, and the Rise of Proliferation Networks*, at <<http://www.iiss.org/publications/strategic-dossiers/nbm/nuclear-black-market-dossier-a-net-assesment/>>, accessed February 27, 2010.

9. *Jane's Defence Weekly*, October 15, 1994.

10. Joseph S. Bermudez, Jr., "DPRK-Pakistan Ghauri Missile Cooperation," May 21, 1998, at <<http://www.fas.org/news/pakistan/1998/05/ghauri2.htm>>, accessed February 27, 2010; and Joseph S. Bermudez, Jr., "A History of Ballistic Missile Development in the DPRK," Occasional Papers, no. 2, Center for Nonproliferation Studies, Monterey Institute of International Studies, November 1999, <<http://cns.miis.edu/opapers/op2/op2.pdf>>, accessed February 27, 2010.

11. Seymour M. Hersh, "The Cold Test," *New Yorker* 78:44 (January 7, 2003), p. 42.

prototypes of high-speed centrifuge machines, data on how to build and test a uranium-triggered nuclear weapon, and intelligence advice on how to hide its nuclear program from the U.S. and South Korea. U.S. intelligence agencies reportedly tracked at least 13 visits to North Korea by A. Q. Khan, the so-called father of the Pakistani bomb, as late as July 2002. Although North Korean officials admitted to possessing nuclear weapons in 2003, there is some speculation that the Pakistan nuclear tests of 1998 also included testing a North Korean device.¹² There have been no public reports of strategic cooperation between Pakistan and North Korea in this realm since August 2002, but there can be little doubt that incentives for such a relationship continue even today.

China's Motivations for Assisting Pakistan and North Korea

While publicly available evidence of China's involvement is limited, it seems highly likely that China sponsored, or at least facilitated, the trade in missile and nuclear technology between Pakistan and North Korea in the 1990s. As noted, a formal three-way agreement among China, Pakistan, and North Korea was reached in January 1994 involving the trade of missile technology. Given the level of Chinese involvement in Pakistan's nuclear program (including Chinese technicians working at Pakistani nuclear and missile development facilities), it is difficult to believe that China was not aware of the nuclear trade and relationship between Pakistan and North Korea, including the presence of North Korean nuclear technicians in Pakistan.¹³ It has also been reported as likely that Pakistani C-130 aircraft, which ferried missile and nuclear technology to and from North Korea, were refueled in western China.¹⁴ Thus, there is little doubt that China, if it so desired, could have halted the trade between Pakistan and North Korea.

What might China have gained from the nuclear and missile counter-trade? Pakistan and North Korea, locked into the losing side of decades-long conflicts with their neighbors, were apparently motivated by their own immediate security concerns and not for broader strategic reasons. China's

12. David E. Sanger and William J. Broad, "Did North Koreans Fuel Pakistan Bomb?" *International Herald Tribune* (Paris), February 28, 2004.

13. See Thomas Woodrow, "China Opens Pandora's Nuclear Box," *China Brief* 2:24 (December 10, 2002).

14. Mohan Malik, "The Proliferation Axis: Beijing-Islamabad-Pyongyang," *Korean Journal of Defense Analysis* 15:1 (Spring 2003), p. 69.

position was somewhat different. Since 1949, China had managed to check both India's and Japan's power by various means, a strategy assisted by their mutual political estrangement. The Pakistan-North Korea transactions allowed China to create low-cost, local nuclear restraints on both India and Japan while concurrently maintaining some degree of deniability. It has been argued that China sees India's "Look East" policy and Japan's more recent policy of engagement with India as being a part of a wider containment strategy developed by the U.S., Japan, and India. As a result, China saw benefit in further tying India and Japan into sub-regional conflicts. According to Mohan Malik:

China has played a double game in South Asia and Northeast Asia, having earlier contributed to their destabilization by transferring nuclear and missile technology to its allies (North Korea and Pakistan) and later offering to help contain the problem of nuclear/missile proliferation in South Asia and on the Korean peninsula. Such tactics have buttressed the point that China's "centrality" in regional security issues must be recognized as essential to their resolution. . . . Such a strategy not only obviates the need for China to pose a direct threat to Japan or India, but also allows Beijing to wield its prestige as a disinterested, responsible global nuclear power while playing the role of an impartial, regional arbiter."¹⁵

If this analysis is correct, the Chinese strategy of using North Korea as a proxy to create nuclear tension in Northeast Asia would not only threaten Japan but would also have a disproportionate impact on South Korea. The possible development of a nuclear proliferation relationship between North Korea and Burma, another Chinese ally adjacent to South Asia, would also be of major concern to India.¹⁶

DEEPENING OF THE INDIA-SOUTH KOREA RELATIONSHIP SINCE THE 1990S

The strategic separation between South Asia and Northeast Asia during the Cold War was reinforced by a very low level of economic integration between

15. Ibid., p. 80.

16. For a discussion of the arms supply relationship between North Korea and Burma, including the possible supply of nuclear technology by North Korea in 2003, see Andrew Selth, "Burma and North Korea: Smoke or Fire?" *Australian Strategic Policy Institute Policy Analysis*, no. 47 (August 24, 2009).

the regions, including between India and South Korea. Because of the largely closed nature of the Indian economy and South Korea's focus on trade with the West and Southeast Asia, investment links between India and South Korea remained minimal, and trade levels stayed low until the 1990s. However, with the opening and liberalization of the Indian economy beginning in earnest in 1991, New Delhi actively sought investment from Japan and South Korea. This was kick-started through visits by Indian Prime Minister P. V. Narasimha Rao to Japan in 1992 and South Korea in 1993.

Through its "Look East" policy, India hoped to help transform its economy by developing economic links with the "tiger economies" of East Asia (Singapore, Hong Kong, and Taiwan), as well as the capital and technology-rich economies of Northeast Asia (Japan and South Korea). While Japanese businesses were slow to take up the opportunity that a liberalizing India offered (partly because of Japan's own stagnant economy), South Koreans responded quickly, expanding both investment and trade links. Bilateral trade between South Korea and India grew from around \$600 million in 1993 to approximately \$15.6 billion in 2008.¹⁷ They have set a target for bilateral trade to reach \$30 billion by 2010.¹⁸ Indian exports to South Korea (largely agricultural and mineral commodities at first but increasingly low-end manufactured products as well) grew at 25% annually in 2006. Indian imports from South Korea (largely machinery and equipment) grew at 37%,¹⁹ with a trade balance in favor of India.

The significant growth in trade has been outmatched by the growth in, and quality of, investment links since the mid-1990s. From a base of almost nothing, South Korea became the largest Asian investor in India between 1996 and 2001, with aggregate foreign direct investment (FDI) approvals of Rs 92.597 billion (US\$1.9 billion), compared with Rs 72.503 billion (\$1.48 billion) for Japan and Rs 80.296 billion (\$1.63 billion) for all Association of Southeast Asian Nations (ASEAN) countries combined.²⁰ In 2002, a South Korean government representative announced that his country soon aimed

17. Kim Junghyun, "S. Korea Betters Ties with India," *Xinhua* (Beijing), January 26, 2010.

18. "India, South Korea to Forge Closer Nuclear, Security Ties," *The Hindu* (Chennai), February 3, 2010.

19. Pravakar Sahoo, "India-South Korea Trade and Investment Relations," paper presented at seminar held by the Center for Northeast Asian Economic Cooperation, Seoul, March 10, 2008.

20. Nagesh Kumar, "Toward an Asian Economic Community: The Relevance of India," Research and Information System for the Non-Aligned and Other Developing Countries, Discussion Paper, no. 34 (2002), at <http://www.ris.org.in/dp51_pap.pdf>, accessed February 27, 2010.

to become the largest foreign investor in India.²¹ Major Korean investors in India have included LG, Sumsung, Hyundai, and Daewoo, primarily in the automotive and consumer electronics sectors. In contrast with many foreign investors who were mostly interested only in establishing manufacturing operations to service the Indian domestic market, the South Korean chaebols were often interested in establishing their own version of the Japanese “flying geese” strategy by integrating Indian manufacturing into their Asian and world-wide operations.²²

South Korean companies have also successfully employed a strategy of both investing in local manufacturing operations themselves and also creating so-called industrial clusters by encouraging their established Korean sub-contractors to make joint venture or “green field” investments (i.e., in newly constructed facilities) around the new Indian hub. The transplanting of entire production chains has allowed South Korean companies to manufacture locally with relatively high levels of Indian domestic content, while concurrently maintaining high standards in quality and competitive pricing.²³ As a result, South Korean brands, generally cheaper than their Japanese rivals and better quality than Chinese products, have achieved a dominant position in significant portions of the consumer electronics, major appliances, and automotive markets in India. This includes LCD televisions, washing machines, air conditioners, microwave ovens, and mini-cars.²⁴

Since the early 2000s, the focus of South Korean investment in India has changed. South Korean manufacturers have not only seen the potential of the Indian market but also consider it to be a potential base for exports to third countries. More generally, India might function as a regional hub for doing business throughout South Asia and the Middle East.²⁵ For example, Hyundai currently uses India as its hub for the manufacture of small cars

21. “Korea to Raise Investments in India,” *Hindu Business Line*, August 28, 2002, at <<http://www.thehindubusinessline.com/2002/08/28/stories/2002082802310200.htm>>, accessed February 27, 2010.

22. The “Flying Geese” strategy involved an international division of labor in East Asia in which Japan organized capital and labor-intensive manufacturing in and among lesser-developed second and third tier countries.

23. See Jongsoo Park, “Foreign Direct Investment in India since 1991: A Korean Perspective,” in Sushila Narsimhan and Do Young Kim, eds., *Korea and India: A Forging Relationship* (New Delhi: Manak Publications, 2006), pp. 15–44.

24. Lee Tee Jong, “Made in Korea, Loved in India,” *Straits Times* (Singapore), January 27, 2006.

25. Nagesh R. Parthasarathi, “India Regional Hub for Korean Firms,” *Korea Times* (Seoul), January 24, 2008.

(including the popular Santro Xing) for export throughout the world. The South Korean government has also promoted investment and participation in Indian infrastructure projects including railways, roads, and bridges, and in the power and communications sectors. As a result, South Korean construction companies have won a significant share of contracts awarded for the Indian National Highway Development Project, as well as major pipeline construction projects. The level of South Korean investment in India was boosted by the 2005 announcement of a \$12 billion investment by the South Korean-owned Pohang Iron and Steel Company (POSCO) to build a steelworks with supporting iron ore mines and export infrastructure in the Indian state of Orissa. This represents the largest single foreign investment in India from any country, as well as the largest foreign investment anywhere by a South Korean company.²⁶

The relative level and success of investment from South Korea stands in drastic contrast to India's experience with Japan. Since the early 1950s, Indian Prime Minister Jawaharlal Nehru had dreamed of an economic partnership with Japan. For their part, Japanese political leaders in subsequent years also made regular announcements about entering into an economic partnership with India. However, the difficult Indian business environment, coupled with India's relatively closed economy and apparent cultural differences that the Japanese were unwilling to overcome, meant that Japan's investment in India remained negligible. While investment by Japanese companies in India increased significantly during the 1990s, the reported "frustrations," "bafflement," and mutual incomprehension over Indian work practices felt by Japanese trying to do business in India in the 1990s differed little from problems reported decades earlier.²⁷ The highlighting of Japanese investment by Japanese Prime Minister Abe Shinzo in his August 2007 visit to New Delhi was seen by some in India as reflecting a Japanese realization that they had lost

26. Despite significant Indian federal and state government support, the POSCO investment remained stalled in early 2010 by local protests, and the project may, in fact, be put on hold. This demonstrates the continuing difficulty of foreign companies in executing major industrial projects in India.

27. For details, see James Clad, S. Kamaluddin, Manik de Silva, and Kedar Man Singh, "Japan-South Asia: Economic Relations—Currying Favor—Patience Sorely Tested—Asian Extremes," *Far Eastern Economic Review* (Hong Kong) 151:4 (January 24, 1991), pp. 42–43. For similar comments on Japanese experiences in India in the 1950s and 1960s, see Lawrence Olson, *Japan in Postwar Asia* (London: Council on Foreign Relations, 1970), p. 39. For a case study on the relative success of a Korean company over a Japanese one in importing its organizational culture to India, see Jai B. P. Sina, *Multinationals in India: Managing the Interface of Cultures* (New Delhi: Sage Publications, 2004).

the first-mover advantage in their economic relationship with India and were playing catch-up with the South Koreans.²⁸ The Indians, for their part, are not unhappy with this element of competition.²⁹

Developments in the political and strategic dimensions of the relationship between India and South Korea over the past several years also point to a more comprehensive relationship—a trend underlined by the declaration of a “strategic partnership” in January 2010. During the 1990s, India’s “Look East” policy was initially focused primarily on the development of economic links, especially in Southeast Asia, but political and security links with Northeast Asia eventually began gaining increased significance as well. The Indians announced what they called “Phase 2” of the policy, involving an expanded geographical focus to include Northeast Asia and a move away from only economic issues toward a broader agenda, including security cooperation.³⁰

This aspect of the relationship was given greater focus by both India and South Korea because of the Pakistan-North Korea nuclear proliferation relationship. In August 2000, South Korean Foreign Minister Lee Jung-binn stated during a visit to New Delhi that “India and South Korea are now fully conscious of the new security linkages between the subcontinent and the Korean Peninsula. There have been disturbing reports, over recent years, of nuclear and missile cooperation between Pakistan and North Korea.” Lee added that India and South Korea were moving to strengthen cooperation “for mutual reinforcement of peace and stability between our respective regions.”³¹ India and South Korea subsequently acted as co-convenors of the “Community of Democracies” ministerial meetings held in Seoul in 2002—an initiative proposed by the U.S. in 2000 and cautiously joined by India.³²

28. Praful Bidwai, “India/Japan: Abe’s Visit Underlines New Strategic Alliance,” IPS News, at <<http://ipsnews.net/news.asp?idnews=39009>>, accessed February 27, 2010.

29. During his October 2008 visit to Tokyo, which resulted in the India Japan Joint Security Declaration, Indian Prime Minister Manmohan Singh gently reminded his hosts that Japanese business needed to try harder in India, pointing out that Korean products and brands dominated the Indian white goods sector.

30. C. Raja Mohan, “Look East Policy: Phase Two,” *The Hindu* (Chennai), October 9, 2003.

31. Quoted in C. Raja Mohan, “India, South Korea to Strengthen Partnership,” *ibid.*, August 1, 2000.

32. In September 2007, the Bush administration made a renewed proposal for an Asia-Pacific regional “democratic club” including India and South Korea. South Korea hosted the first meeting of senior officials for this association in October 2008. Whether this initiative is given substance or goes the way of previous proposals of this type remains to be seen.

This was followed by the declaration of a “Long-term Cooperative Partnership for Peace and Prosperity” during a visit by South Korean President Roh Moo-hyun to New Delhi in October 2004. An annual Foreign Policy and Security Dialogue was also announced, intended to cover regional and international security issues; bilateral, defense, and service-to-service exchanges; and counterterrorism. Subsequent exchanges have led to agreements on cooperation in relation to defense logistics, coast guards, and energy security in 2005, and also the granting of observer status to South Korea within the South Asian Association for Regional Cooperation (SAARC) in 2006.

The development of the India-South Korea political and security relationship over the past few years, though significant in light of their previous virtually non-existent relationship in these realms, has lagged behind the development of the politico-security relationship between India and Japan. This has included the establishment of an annual security dialogue from 2001, a declaration of “global partnership” in 2005, a quadrilateral dialogue proposal in 2007, and the India-Japan Security Declaration in October 2008. Each of these initiatives progressed largely at Japan’s insistence. India, however, is cognizant of potential hurdles to the further deepening of these ties. These hurdles include China’s hostility toward any expansion of Japan’s regional political and security role, as well as Japan’s domestic sensitivities on the nuclear issue and the supply of defense technologies. India’s relationship with South Korea, in contrast, avoids many of these sensitivities.

The developing relationship between India and South Korea can be further examined by focusing on three main areas: first, the desire to deepen economic ties through comprehensive bilateral free trade arrangements and the creation of new multilateral economic groupings in Asia; second, bilateral security cooperation including weapons supply and development programs, and defense cooperation; and third, energy security and nuclear-related issues.

The India-South Korea Free Trade Agreement and an Asian Economic Community

The India-South Korea economic and political relationship will be significantly enhanced by a broad-ranging bilateral free trade agreement (FTA) known as the “Comprehensive Economic Partnership Agreement” that came into effect in January 2010. Based on the India-Singapore Closer Economic Cooperation Agreement, the agreement between India and South Korea

covers trade in goods and services as well as investments. Reaching this agreement was an important objective stated by South Korean President Lee Myung-bak as part of South Korea's policy of closer engagement with the BRIC (Brazil/Russia/India/China) countries. Although an important step, this agreement should be seen as part of a string of bilateral FTAs being considered or negotiated by India, South Korea, and other states in the Asia-Pacific region. India entered into a comprehensive economic agreement with Singapore in 2005 and, more recently, an FTA with ASEAN (although it is much narrower in scope than the India-South Korea agreement). India is also currently negotiating a trade agreement with Japan (although numerous unresolved issues are delaying it and there is no announced target date for its finalization).³³ The Indians are also considering agreements with China, Malaysia, Australia, and New Zealand. For its part, South Korea has concluded FTAs with ASEAN and the U.S., and is considering accords with Japan and Australia, among others.

Of perhaps greater long-term significance is the role that South Korea might play in helping India achieve its vision of a multilateral Asian FTA. For several years, India has been advocating an Asian Economic Community in order to bring together Japan, ASEAN, India, and South Korea (the so-called "JACIK" countries) in an "arc of advantage." The Indian proposal is, however, in direct competition with the idea of an East Asian Community (EAC) involving only the ASEAN + 3 states (ASEAN plus China, Japan, and South Korea), which has been proposed by Malaysia and backed by China. Beijing has not greeted India's proposals with enthusiasm, apparently fearing that Indian participation in the core group would shift the balance of power in the EAC away from China.³⁴

As a result, India's proposal for an Asian Economic Community became the subject of significant controversy at the East Asian Summit (EAS) in December 2005. Although the summit overcame China's objections and agreed to admit India as well as Australia and New Zealand to any proposed regional economic grouping, these three countries were effectively relegated to "second-class" status. The Summit resolved that ASEAN would be in the

33. Jayant Singh, "Unresolved Issues Aplenty before India-Japan FTA," *Indian Express* (Mumbai), August 6, 2008.

34. Mohan Malik, "China's Strategy of Containing India," *Power and Interest News Report*, February 6, 2006, at <http://www.pinr.com/report.php?ac=view_report&report_id=434>, accessed February 27, 2010.

“driving seat” of the process for the EAC, and Malaysian Prime Minister Abdullah Badawi announced that ASEAN + 3 would be “a vehicle” for realizing the EAC.

The Indians have identified Japan and South Korea, both capital-rich economies in Northeast Asia, as potentially important allies within ASEAN + 3 in negotiating any future multilateral Asian economic grouping. During his visit to Seoul in September 2007, Indian Minister for External Affairs Pranab Mukherjee called for South Korea to support a broadly defined Asian Economic Community rather than a more restrictive conception of Asian economic integration. Mukherjee questioned whether any narrower grouping based only on East Asia will “serve regional interests, [and] Korean interests” if it “exclude(s) others whose development is integral to the region as a whole.”³⁵ Whether or not the EAS ultimately brings about closer Asian economic integration (some commentators argue that Beijing has lost interest in it for this purpose), it seems likely that China will continue to try to limit India’s influence over any such regional arrangement.³⁶

For its part, South Korea has been content sitting on the sidelines of the debate about whether India and/or the U.S. should be included. One might argue that South Korea and Japan, as well as the ASEAN states, share a common interest in limiting China’s influence in multilateral regional organizations. The South Koreans, however, do not see the situation in such simplistic terms. They have concerns about the possible dilution of the “East Asian regional identity” in any broader grouping. In 2000, South Korea took a leading role in creating the East Asian Vision Group to push toward an East Asian economic grouping made up of ASEAN + 3. This demonstrated South Korea’s desire to support China or, alternatively, may have reflected its concerns about its own continuing regional influence through ASEAN + 3.³⁷

More immediately, South Korea sees the issue primarily in terms of a dispute between Japan and China over regional influence—one in which Seoul currently prefers not to get directly involved. Perhaps for this reason,

35. Quoted in Sanjay Kumar, “India Calls for the Formation of an Asian Economic Community,” *Malaysian Sun* (Kuala Lumpur), September 17, 2007.

36. Mohan Malik, “The East Asia Summit: More Discord Than Accord,” *Yale Global Online*, December 20, 2005, <<http://yaleglobal.yale.edu/display.article?id=6645>>, accessed February 27, 2010.

37. Park Sang-seek, “Reshaping East Asia: East Asian Summits,” *Korea Herald* (Seoul), December 19, 2005; Kwon Yul, “Challenges and Future Prospects for East Asia Summit,” *ibid.*, December 12, 2005.

the South Koreans were happy to see ASEAN placed into the “driver’s seat” at the East Asian Summit in 2005.³⁸ Others have warned that attempts by South Korea to apply such reactive or passive “balanced diplomacy” risks leaving it out of important regional relationships. Instead, they argue that the South Koreans should play a more active political role as a bridge between China and the regional democracies.³⁹ South Korea’s failure to take a definite stance on the inclusion of either India or the U.S. in such a regional economic grouping indicates that for the moment, at least, it wishes to keep its options open.

Security Cooperation between India and South Korea

The other area of focus in the deepening India-South Korea relationship has been centered around enhancing security cooperation. In May 2007, Indian and South Korean defense ministers held their first-ever consultations. The Indian defense minister subsequently commented that “the military field needs to keep up with the development of the two sides’ economic cooperation.”⁴⁰ The declaration of a “strategic partnership” by South Korean President Lee and Indian Prime Minister Singh in January 2010 included an enhanced focus on political and security cooperation. Among the topics were an agreement for an annual security dialogue between the two countries and cooperation in the joint development of defense technologies. There is also potential for enhanced cooperation in terms of India’s role as a provider of maritime security to South Korea in the Indian Ocean.

Prior to 2005, defense industry cooperation between the two countries was extremely limited. The South Korean defense industry had been virtually locked out of the Indian arms market through the Cold War and immediately thereafter.⁴¹ However, there has been considerable defense industry cooperation between India and South Korea since 2005, including in the joint development of self-propelled artillery and mine-countermeasure vessels. In March 2007, the Indians and South Koreans also began talks on

38. Ryu Jin, “Asia Summit Augurs Power Struggle,” *Korea Times* (Seoul), December 15, 2005.

39. Michael Green, “Korea’s Role in Asia’s New Regionalism,” *JoongAng Daily* (Seoul), June 13, 2007.

40. Quoted in Satu Limaye, “India-Asia Pacific Relations: Consolidating Friendships and Nuclear Legitimacy,” *Comparative Connections* (January 2008), at <http://www.csis.org/media/isis/pubs/0704qindia_asia.pdf>, accessed February 27, 2010.

41. An exception is the small number of inshore patrol craft supplied by South Korea to India in the early 1980s.

the development and purchase by India of 5,000-ton frigates, armored vehicles, and military trucks. These talks have not yet come to fruition. South Korea also hopes to sell its KT-1 jet trainers to India.

Direct cooperation between Indian and South Korean defense forces had also previously been virtually non-existent. India has proceeded cautiously on this front, beginning with a memorandum of understanding relating to Indian and South Korean coast guards signed in March 2005. This led to joint coast guard exercises in July 2006, which coincided with nearby India-U.S. bilateral naval exercises. India and South Korea subsequently agreed to hold joint naval exercises and regular military consultations. Naval cooperation is planned to initially focus on search-and-rescue and anti-piracy operations. South Korea, like Japan, is likely to be most concerned with India's ability to provide maritime security in vital sea lines of communication in the Indian Ocean area, including through the Strait of Malacca. For its part, India would likely welcome South Korea's recognition of India's predominant security role in the Indian Ocean region.

The potential for security cooperation between South Korea and India on the Korean Peninsula is more doubtful. It is arguable that India has a definite interest in seeing the development of a strong and unified Korea sitting on China's eastern flank. Some observers have called India "a legitimate dialogue partner in any future settlement with North Korea," and the South Korean government has requested that India use its "special status" with the two Koreas to support its position in the Six-Party Talks.⁴² India could conceivably play an honest broker role between South Korea and North Korea as it did during the Korean War. However, it seems that New Delhi has no evident desire to become involved in Northeast Asian security issues, whether on the Korean Peninsula or in the Taiwan Strait.⁴³ In reality, India has little leverage over North Korea, and China would likely strenuously object to any Indian role in the region.⁴⁴

42. Kim Il-young and Lakhvinder Singh, "The North Korean Nuclear Program and External Connections," *Korean Journal of Defense Analysis* 26:1 (Spring 2004), p. 98.

43. Zhao Gancheng, "India: Look East Policy and Role in Asian Security Architecture," position paper at the SIIS (Shanghai Institute of International Studies)-Brookings Conference on Regionalism in Asia, December 11-12, 2006.

44. It should be noted that India has acted as an arms supplier to North Korea in the past including supplying Soviet-made weaponry, using its expertise in Soviet weapons to assist North Korea in upgrading MIG-21 planes, and extending the life of other Soviet supplied equipment during the 1990s. See the *DPRK Report* (November-December 1996), at <<http://cns.miis.edu/archive/dprkrpt/96novdec.htm>>, accessed February 27, 2010.

In any event, India's policy toward North Korea, in many ways, seems to be stuck in the era of the NAM. In an apparent continuation of its Cold War era policy of "equidistance" between North Korea and South Korea, the Indian government, likely for domestic political reasons, refrained from criticizing Pyongyang over its April 2009 ballistic missile tests. New Delhi's criticism of the nuclear test the following month also remained muted.⁴⁵ New Delhi's highly cautious approach in this respect is a reminder of India's limitations as a regional security partner in East Asia.

Any suggestion that the emerging India-South Korea relationship might form a part of a multilateral coalition to contain China should also be treated with significant skepticism. South Korea's wish to develop a security relationship with India is less likely to be driven by a strategy to balance China and more by a desire to remain involved in the evolving U.S. strategy in the Asia-Pacific region, in which India is also likely to play a key role. The long-standing "hub and spoke" system of separate bilateral alliances between the U.S. and each of its regional allies in the Asia-Pacific is evolving, although it is not yet clear where it is headed. Since the acceleration of the strategic relationship between the U.S. and India in recent years, pressure has increased on key regional U.S. allies—including Japan, Australia, and South Korea—to improve ties with India. This has included calls for U.S. allies to "collaborate to promote strategic stability in South Asia and to give greater weight to India's role in Asia and in international institutions."⁴⁶

The South Koreans felt keenly their exclusion from the U.S.-Japan-Australia trilateral relationship earlier this decade.⁴⁷ This sentiment was heightened further by India's participation in the 2007 Malabar naval exercises with the U.S., Japan, Australia, and Singapore, and by Japanese-led proposals in early 2007 for India's participation in a "democratic quadrilateral" with Japan, the U.S., and Australia.⁴⁸ Although all the putative members of the

45. Siddharth Varadarajan, "India in Dilemma over North Korean Satellite Launch," *The Hindu* (Chennai), April 6, 2009; and "India Urges N. Korea to Return to Talks," *Indian Express* (Mumbai), June 24, 2009. North Korea, in fact, thanked India for its stance on the missile tests.

46. Robert D. Blackwill, "An Action Agenda to Strengthen America's Alliances in the Asia-Pacific Region," in Robert D. Blackwill and Paul Dibbs, eds., *America's Asian Alliances* (Cambridge, Mass.: MIT Press, 2000), p. 129.

47. Jin Dae-woong, "U.S., Japan, Australia Push Triangular Alliance," *Korean Herald* (Seoul), September 5, 2007.

48. Sandip Kumar Mishra, "South Korean Posture on the Indo-U.S. Deal and NSG," *Institute of Peace and Conflict Studies China & East Asia*, article no. 2393, October 25, 2007, available at <http://ipcs.org/article_details.php?articleNo=2393>, accessed February 27, 2010.

quadrilateral quickly backed away from a multilateral approach after Chinese protests, there has been significant movement in developing a web of bilateral security relationships through “security declarations.” This includes declarations between Japan and Australia in March 2007, Japan and India in October 2008, and South Korea and Australia in March 2009.⁴⁹ There has been talk of a “security declaration” between South Korea and Japan, and one wonders whether one between South Korea and India may be possible. For South Korea, bilateral security relationships are much more palatable than the anti-China implications that seem inherent in a multilateral approach. For this reason, any enhanced security relationship between India and South Korea would most likely remain bilateral rather than involving U.S. regional allies. The Indians would also probably see this as being more desirable, given their traditionally cautious attitude toward multilateral security ties.

Energy Security and the Nuclear Issue

Given both India and South Korea’s high level of energy dependence, energy security issues are likely to play a significant role in their evolving closer relationship. In November 2005, India and South Korea entered into a number of agreements for cooperation in the energy sector, including South Korean assistance to build strategic underground petroleum storage facilities in India. There will undoubtedly be further opportunities in the future for cooperating to enhance the energy security of both countries. One example is a proposal where South Korea would take gas from an Indian joint venture on nearby Sakhalin Island in exchange for India taking gas from South Korean contracted supplies in Indonesia and Australia. Nevertheless, India and South Korea will remain long-term competitors for hydrocarbons in Asia. This was amply demonstrated in early 2007 when the Daewoo business conglomerate pushed India out of long-term gas contracts with Burma.⁵⁰

One of the most sensitive and difficult issues that India and South Korea have addressed in recent times is India’s nuclear status. While South Korea

49. A security declaration is a non-binding joint declaration of understandings in security matters. It is a convenient way of signaling common strategic perspectives and establishing a bilateral framework for the development of mechanisms for security cooperation, without the need for binding treaty obligations.

50. Incidentally, the South Koreans themselves were subsequently pushed aside by Chinese interests in Burma.

has few direct strategic interests in the nuclearization of South Asia, it has a vital interest in the international nuclear non-proliferation order and the denuclearization of North Korea. Despite these concerns, the South Koreans have taken a relatively muted position on India's development of nuclear weapons. Seoul's reaction to India's Pokhran II nuclear tests in 1998 was much softer than, for example, that of Japan, which took a leading role in international condemnation of the tests. (It is unclear whether South Korea at that time knew of or suspected Pakistan's role in proliferating nuclear technology to North Korea.) By 2006, India had assumed the role of a status quo nuclear power opposed to further erosion of the nuclear non-proliferation order: it strongly criticized North Korea for its nuclear tests.⁵¹

More recently, South Korea was forced to deal with the de facto recognition of India as a nuclear weapons state as a consequence of the so-called "123 Agreement" between India and the U.S. India was required to obtain a waiver from the Nuclear Suppliers' Group (NSG) to import nuclear technology and materials from member countries for its nuclear power program. Such a waiver could only be granted with the unanimous support of all NSG members, including South Korea. The South Koreans had obvious concerns about the impact of such support on their position that the international non-proliferation order requires North Korea to dispose of its nuclear weapons.⁵² Following the visit of Minister for External Affairs Mukherjee to Seoul in September 2007, Korean Foreign Minister Song Min-soon commented that South Korea had "no reservations" about India gaining its support in the NSG. He further stated that it "was up to India's discretion" whether or not to join the Nuclear Non-Proliferation Treaty.⁵³ In August 2008, in accordance with its assurances, South Korea supported India's request for an exemption from the NSG. South Korea may be rewarded by India for its flexibility on nuclear issues. South Korea and India have had limited cooperation in civilian nuclear technology since at least the mid-1990s,⁵⁴ and in January 2010, they announced the negotiation of a new civilian nuclear

51. Saroj Bishoyi, "North Korean Nuclear Test: Implications for India," *Institute for Peace and Conflict Studies*, article no. 2131, October 13, 2006, <http://ipcs.org/article_details.php?articleNo=2131>, accessed February 27, 2010.

52. A South Korean representative in the Six-Party Talks reportedly expressed reservations about the India-U.S. deal on this basis. Sandip Kumar Mishra, "South Korean Posture."

53. P. S. Suryanarayana, "No Reservation over India Deal," *The Hindu* (Chennai), September 22, 2007.

54. P. S. Suryanarayana, "Pranab in Seoul for Talks," *ibid.*, September 17, 2007.

cooperation agreement.⁵⁵ Any accord is expected to position South Korea's large and politically powerful nuclear industry to play a significant role in the development of India's nuclear power sector.

South Korea's flexibility on this issue contrasts somewhat with the position adopted by Japan, which took the lead in condemning India over its 1998 Pokhran II tests. For the Japanese, nuclear proliferation remains a major domestic political issue. Although leaders of Japan's large nuclear industry are keen to be involved in India, the Japanese government faces significant political resistance to any deals that weaken the international non-proliferation regime.⁵⁶ Japan's continuing insistence that India must become a signatory to the Comprehensive Test Ban Treaty remains a stumbling block to any civilian nuclear cooperation between Japan and India. Japan's reluctance in this matter represents another potential opportunity for South Korea.

INDIA, SOUTH KOREA, AND REGIONAL DYNAMICS

How can we best conceptualize the bilateral relationship between India and South Korea from the perspective of each? India certainly represents a significant economic opportunity for South Korean businesses seeking investment and trade opportunities. The fast and flexible South Korean response to the liberalization of the Indian economy in the early 1990s gave it a first-mover advantage, allowing South Korean businesses to make significant inroads into the Indian consumer electronics and automotive sectors. The more recent focus on infrastructure and the development of India as a regional business hub is consistent with South Korea's playing an even more significant role in the Indian economy. South Korea's ability and willingness to show political flexibility on issues such as defense exports and nuclear cooperation should also strongly position its businesses to participate in the Indian defense market and nuclear-generation industry, perhaps even more than their Japanese competitors.

There is also significant potential for a broader political relationship. Most immediate are the issues of Asian economic integration and the development

55. "India, South Korea to Forge Closer Nuclear, Security Ties," *ibid.*, February 3, 2010.

56. See Praful Bidwai, "India/Japan: Abe's Visit Underlines New Strategic Alliance," *IPS News*, August 24, 2007, <<http://ipsnews.net/news.asp?idnews=39009>>, accessed February 27, 2010; and J. Nandakumar and A. Vinod Kumar, "India-Japan Relations: Are There Prospects for Civil Nuclear Cooperation?" *Strategic Analysis* 31:6 (November 2007), pp. 973–84.

of multilateral economic arrangements not overly dominated by China. In this realm, it is arguable that India and South Korea (and also Japan) all ultimately have similar interests. South Korea in particular as a middle-ranking power will likely be forced to play a delicate balancing game among China, Japan, and the U.S. There are perceptions that Seoul's previous attempts at "middle power" diplomacy, including efforts to mediate the North-South economic relationship within the Asia Pacific Economic Cooperation (APEC) forum, have met with little success. There is uneasiness in South Korea about "sitting on the fence" or being a loner in East Asian affairs.⁵⁷ Some believe that South Korea's previous perceptible tilt toward China has changed under President Lee Myung-bak toward a more balanced approach between China and the U.S. This policy has been called "twin hedging," designed to maximize South Korea's strategic and economic position between the two giants.⁵⁸ The South Koreans may also find that a closer political relationship with India helps in balancing the conflicting demands made on them by China, the U.S., and Japan.

For India, closer political relations with both South Korea and Japan would provide a useful balance to China's "all-weather friendship" with Pakistan and its more recent cultivation of other friendships in South Asia including with Bhutan, Bangladesh, Nepal, the Maldives, and Sri Lanka.⁵⁹ South Korea and Japan are also useful allies for India in balancing Chinese influence in key regional forums and ensuring India's inclusion in any Asian economic groupings. This is also a part of India's strategy of developing strong political relationships with key Southeast Asian states such as Singapore and Vietnam.⁶⁰ Such relationships may be particularly attractive for India in the sense that they exploit commonalities (whether in the economic, political, or security spheres) rather than involve an element of strategic competition.

57. For a discussion of South Korea's attempts at "middle power" diplomacy since the 1960s, see Brian Bridges, "From ASPAC to EAS: South Korea and the Asia-Pacific Region," Center for Asian Pacific Studies, Lingnan University, Working Paper, no. 172 (August 2006), at <<http://library.ln.edu.hk/record=br1522224>>, accessed February 27, 2010.

58. See Sukhee Han, "From Engagement to Hedging: South Korea's New China Policy," *Korean Journal of Defense Analysis* 20:4 (December 2008), pp. 335–51.

59. For an analysis, see Mohan Malik, "China's Strategy of Containing India," *Power and Interest News Report*, February 6, 2006, <http://www.pinr.com/report.php?ac=view_report&report_id=434>, accessed February 27, 2010.

60. See, for example, David Brewster, "The Strategic Relationship between India and Vietnam: The Search for a Diamond on the South China Sea?" *Asian Security* 5:1 (February 2009), pp. 24–44.

In broader terms, the development of the India-South Korea relationship merely reflects a region-wide process breaking down economic and political barriers between South Asia and Northeast Asia that has been progressing since the end of the Cold War. To the extent that economics has acted as a driving force in the development of cross-regional relationships, one could argue that it is merely a part of the globalization that is toppling historical barriers throughout Asia and elsewhere. There are, however, other forces helping to reverse the strategic estrangement between India and key East Asian states. Some might see the development of closer political relations as merely an exercise in the balance of power, with India and South Korea (and others) moving toward a balancing coalition against the rising power of China. According to this view, South Korea will seek to be associated, either formally or informally, with states such as India, the U.S., Japan, and Australia. However, as we have seen, such a broad coalition against China was of little interest to either South Korea or India in the 1960s, and there is no compelling reason to think that it is more likely to occur now.

An alternative perspective might be to see the development of relations between India and South Korea *not* primarily as an exercise in balancing against China (although it may include elements of that). Rather, this trend can be viewed as part of the gradual merging of previously separate security regions or so-called regional security complexes in Southeast Asia, Northeast Asia, and South Asia.⁶¹ Until recent years, South Asia and East Asia, in particular, operated relatively separately in strategic terms, each area with its own particular security dynamics. The states in each region (with the possible exception of China, which has been an important actor in both) have been relatively indifferent to the strategic affairs of the other region. However, this strategic estrangement is gradually dissolving. China's rising power and the withdrawal (or reduced influence) of major outside powers since the end of the Cold War, such as the Soviet Union and, to a lesser extent, the U.S., has led to a change in regional dynamics. Furthermore, Pakistan's relative decline in power and the consequent potential for improvements in Indo-Pakistani relations are currently allowing India to gradually escape its South Asian box and engage with East Asia. Similarly, Northeast Asian states, such as Japan and South Korea, have been freer to seek political engagement with South Asia. These forces underlie the engagement between

61. See Barry Buzan and Ole Waever, *Regions and Powers: The Structure of International Society* (Cambridge, Mass.: Cambridge University Press, 2003).

India and ASEAN from the mid-1990s and more recently, the engagement between India and Northeast Asia. Accordingly, states in South and East Asia may be increasingly likely to perceive shared interests, not only in their dealings with China but also in exploring complementary economic capabilities and dealing with a range of sub-regional security problems. While these relationships may not necessarily be directed at China, it is certainly the case that China will no longer be free to operate in East Asia without regard to India.

CONCLUSION

This article has argued that the deepening economic, political, and security relationship between India and South Korea provides significant insight into India's overall strategic engagement in Northeast and East Asia. After decades of estrangement in almost every sphere, the relationship between India and South Korea is now blossoming. During the 1990s, South Korea showed a significant degree of flexibility in grasping a "first mover" advantage in investing in India, both to penetrate the Indian domestic market and to help develop the country as a regional manufacturing hub. The changing strategic dynamics in Asia have also profoundly altered the political and security relationships between the two countries. China, which for so long literally and metaphorically stood between India and South Korea, has now brought them closer together. This has occurred via China's role in the Pakistan-North Korea proliferation relationship and, more broadly, by making India an attractive partner throughout East Asia as a strategic balance to China. South Korea may find that a good relationship with India will increase its geopolitical options as it seeks to juggle its relationships with China, Japan, and the U.S. India may also see a relationship with South Korea as an advantageous way of further enhancing its influence in the East Asian security equation. The India-South Korea relationship is likely to further develop further as part of profound changes occurring in the Asian strategic order.

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